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# Media industry encountering unprecedented challenges

By <u>Angela Quintal</u>

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The fragmentation of the media and the mind-boggling range of sources of information available to readers, from Wikipedia to Google and the social networks, have conspired to cause publishers of print media to re-evaluate their roles, much as the horse-drawn carriage industry was forced to with the arrival of the internal combustion engine.



Does that mean that print is dead? No, far from it, but periods of serious introspection are nonetheless the order of the day for publishers of newspapers and magazines across the globe.

The market for newspapers will not dry up overnight, or indeed anytime soon, for that matter. In fact, it is likely that there will always be a market, albeit not a "mass market" for the printed page.

Young readers (for young, read 16-35 and older), as well as techno savvy and better-heeled consumers of whatever age, will more and more shift from traditional news vehicles to the convenience of the tablet, Android and ever-smarter mobiles, for their news and information. Already the early-adopters have moved in droves and camped out with the release of every new generation iPad, and Androids phones are attracting similar attention.

This is the twenty-first century, and the much-vaunted Information Super Highway is a reality. Newspaper and magazine publishers and editors are having to jockey for position to retain their status as the trusted news-providers, in this brave new world.

It is clear that their ability to meet the challenging trends of this new age will be paramount to the success and, in some cases, to the survival of publications in the year ahead, and beyond.

Success or failure will lead to their either joining the traffic on an exciting journey of discovery, or accepting the inevitability of decline and extinction - of the kind that saw the magnificently handcrafted carriages of the turn of the nineteenth century relegated to transport museums around the globe.

#### 1. A sense of community

Relevance, relevance, relevance will be the watchword. Understanding the commonalities (and differences) that make up our reader interest groups will be crucial to the survival of titles. Local IS lekker.

No medium can be all things to all people. But there is an irresistible latent force that binds a community and makes it one. The culture of a region is a great intangible that, as media people, we need to understand and learn to work with.

Understanding and staying close to our audience will call for CRM strategies at a micro level. Research, reader advisory panels and even straw polls will become increasingly necessary tools in tracking reader interests on a day-to-day basis, to ensure that our content remains relevant to our target audience.

The affinity that locals have for "their" paper is one of the intangibles that makes a regional paper a good buy for advertisers looking to "connect" with consumers.

#### 2. Press freedom

The so-called "Secrecy Bill" has attracted widespread opposition, and rightly so. The National Assembly's ad hoc

committee introduced amendments in the hope the proposed legislation would become more palatable. Fortunately, the critics have viewed such obfuscation as window dressing that does little more than alter the tint of the glass.

As things currently stand, the ANC is showing few signs of backing down, despite assurances from deputy president Kgalema Motlanthe that a compromise can be found. The National Council of Provinces phase of processing the bill looks increasingly unlikely to be the conduit hoped for meaningful change.

Do not, therefore, be surprised to see a crescendo of opposition all the way to the Constitutional Court. The bill is a critical issue, not for the media alone, but to all freedom-loving South Africans who believe in transparency, accountability and realise our future hinges on unfettered freedom to expose public sector corruption and ineptitude.

#### 3. Global and domestic economy

The fallout from Europe's stuttering economies is being accompanied by global fallout of extensive dimensions. Without wishing to be pessimistic, there appears to be every reason to expect the global economic recovery to stall in 2012.

For media owners, that's bad news. Followers of the industry are well aware that, whenever economic recessions eventuate, advertising is one of the first budget items to be eliminated. This development will affect traditional media, including the paging of newspapers and the number of magazine titles on the racks, and will undoubtedly slow the growth of digital media.

From all reports, the media and the advertising industry must brace itself for a rough year.

#### 4. Digital

Social media has already become the major source of information for millions. While Twittering and tweeting is
unlikely to ever replace well-written and researched journalism, social media will provide a growing number of
consumers with a sense of "knowing what's going on" and hence of not needing to either go out and buy a
newspaper or even download one for that matter.

The challenge for news providers lies in being able to successfully harness the growing audiences represented by this media and redirect them to really good content and in-depth information. None of this will be entirely new to 2012, but the pace of change and polarisation in news media preferences for consumers will hot up significantly in the year ahead.

 Internet/mobiles- the digital genie is out of the bottle. Thanks to the late Steve Jobs and other technological giants of our age, we're spoilt for choice when it comes to access to information. Now market forces will take us where they take us.

Our ability to keep up with the demands of this new digital age, serving our information to the platforms demanded by the consumer, will determine our success or failure in the year ahead. The ubiquitous mobile, and ultimately the tablet and who knows what variations on the theme, will become the message-bearers, while print with its concomitant high-delivery costs and impact on the environment will continue to decline.

The business model - the "free-to-air" model of the internet remains an albatross around our necks and finding ways of generating the kind of revenue that will pay for quality journalism remains the challenge. Advertisers will, however, always go where the audience is, and the key to the dilemma, as Google and FaceBook all know, is to grow your online audience to an irresistible quantum.

In the meantime, many, many brand-loyal readers (bless them) are prepared to pay for a digital form of the newspaper and as iPads and tablets become more and more affordable to the masses, this trend will grow. News

delivered on paper may decline, but the demand for up-to-date news and commentary by trusted sources will continue to grow.

#### 5. Reader interactivity

It is likely that <u>QR codes</u> - that enable readers to download additional content and even undertake "virtual tours" online, watch videos or browse catalogues, simply by photographing an icon on their cellphone - will become common features of print publications.

Not only does this level of interactivity satisfy reader needs, but it also provides innovative new opportunities for marketers seeking to reach and influence increasingly sophisticated consumers.

Some newspapers have already embraced them, but have yet to use them to their full potential.

#### 6. Cut costs but not quality

"Giving the customer what he wants" has become a cliché and, sadly, often no more than a platitude for management intent on maximising every opportunity for profit, at the expense of the very ones they claim to serve.

Content is still king, but in the face of increased economic pressures, the temptation to cut costs at the expense of quality can be almost irresistible. The challenge will be to maintain the standards of quality content and presentation - which readers have come to expect - while running a business that still delivers an acceptable return on investment for its shareholders.

#### 7. Editorial opportunities in the year ahead

Mangaung and an embattled South African president, the Olympic Games, and the US election are among the news events that lie ahead. With much in the way of headline domestic and international events scheduled for 2012, editors will be looking for new angles, quick reaction times and an intuitive awareness of what it is that their readers want.

These events and others like them will present golden opportunities for interaction between editors and their audiences, whether on print or digital platforms or both.

#### 8. Communication skills

As in other areas, there is a greater need for skills development in our country in the arena of the written word. Sadly SMS and social networks, rather than raising the bar when it comes to the art of written communication, have been responsible for a sharp decline in good grammar and spelling.

Publishers and editors have the responsibility as custodians of their language, be it English, Afrikaans or any of the vernacular languages, to protect and encourage written skills, and grow the pool of trained communicators in our country, ensuring good journalism will not only survive but thrive, into the next generation. Any newsroom that fails to invest in ongoing training is setting itself up for failure.

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### ABOUT ANGELA QUINTAL

Angela Quintal is a news junkie with a passion for new spapers and good coffee. In November 2011 she became the editor of *The Witness* in Retermaritzburg after two years of editing *The Mercury* in Durban. She lost her favorite coffee shop, but not her love of print. Tel +27 (0)33 355 1317, email editor@witness.co.za, Skype angelaquintal, follow @angelaquintal and connect on LinkedIn.

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